UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

TAKE-TWO INTERACTIVE SOFTWARE, INC.,

CASE NO. 18-cv-07658 (PKC)

Plaintiff,

- against -

JHONNY PEREZ,

Defendant.

DECLARATION OF DAVID ANDREWS IN SUPPORT OF PLAINTIFF TAKE-TWO INTERACTIVE SOFTWARE, INC.'S MOTION FOR DEFAULT JUDGMENT

I, David Andrews, declare as follows:

1. I am the Game Security Operations Lead at Rockstar Games, a subsidiary of Take-Two Interactive Software, Inc. (collectively "Take-Two"), a position I have held since January 2018. My responsibilities in this role include monitoring activity in the cheating community, planning and developing anti-cheat methods, tools, and systems, as well as the creation and deployment of unauthorized software detections. In particular, I am one of the individuals responsible for determining how cheating software manipulates and alters Take-Two's games to add new game elements. I submit this declaration in support of Take-Two's Motion for Default Judgment against Defendant Jhonny Perez. This declaration is based on my personal knowledge and review of company information and is made to the best of my knowledge, information, and belief.

Take-Two and Its Games

2. Take-Two is the developer and publisher of best-selling video game software, including Take-Two's *Grand Theft Auto V* video game ("GTAV") and its multiplayer feature *Grand Theft Auto Online* ("GTAO"). GTAO is played in the same virtual world as the main GTAV single player game, but up to 30 players can interact in the same virtual space at the same time.

Mr. Perez's Infringing Program

3. An individual, who Take-Two identified as Jhonny Perez ("Mr. Perez"), worked alongside individuals in Europe to create, distribute, and maintain a computer program for the GTAO multiplayer feature of GTAV called "Elusive." Users could purchase Elusive for \$10, \$20, or \$30 depending on the package, as shown in the screenshot below. Payments could be made through PayPal, Bitcoin, Stripe, and other forms of payment including Steam and Amazon gift cards.



4. Upon subscribing to Elusive, users gain access to certain unauthorized features, which can be used to "grief" non-cheating players who do not have Elusive installed, giving Elusive's users an advantage over legitimate GTAO players and interfering with the gameplay experience. In particular, Elusive allows users to perform unauthorized actions in the game, including without limitation (i) causing players to teleport, (ii) creating game objects such as vehicles and cash bags, (iii) creating game "powers," such as causing the player to be invincible, (iv) the creation of virtual currency, (v) granting access to weapons and ammunition, and (vi) granting reputation points. These actions can be used to change the game for the user of the

program and other players who do <u>not</u> have the program installed. With Elusive, users can also create virtual currency in competition with the currency that is offered for sale by Take-Two.

5. Elusive operates by altering GTAV's multiplayer feature GTAO.

Mr. Perez's Infringing Program Has Harmed Take-Two

- 6. The Elusive software (the "Infringing Program") that Mr. Perez has created is extremely harmful to Take-Two for several reasons.
- 7. *First*, the Infringing Program interferes with Take-Two's carefully balanced plan for how GTAV's multiplayer feature GTAO may be played. In particular, the Infringing Program allows its users to teleport, create game objects, and other unauthorized elements in the game, giving the Infringing Program's users an unfair advantage over those who play the game fairly. This harms Take-Two's customers and undermines their gameplay experience.
- 8. **Second**, when legitimate players have their game playing experience disrupted, they become dissatisfied, harming Take-Two's reputation. Mr. Perez's Infringing Program interferes with the enjoyment of Take-Two's game by consumers who have not installed the Infringing Program. Take-Two's business depends on maintaining a positive reputation among its customers and ensuring users continue to enjoy playing Take-Two's games.
- 9. *Third*, by giving the Infringing Program's users the ability to create unlimited virtual currency, Take-Two's in-game currency model is undermined. GTAO is a free game feature to complement those who have already purchased GTAV that is regularly updated with new content via the Internet. This "free to play" model is supported by sales of virtual currency to the players who wish to purchase it from Take-Two. With Mr. Perez's Infringing Program, users would not need to purchase virtual currency from Take-Two. They can create objects to sell in the game for virtual currency or they can simply create the virtual currency itself. They

can also create cash for users who have not installed the Infringing Program, undermining Take-Two's pricing and sales of legitimate currency. The creation of unlimited digital currency also harms players who wish to play GTAO fairly with the same rules as every other player.

- 10. All of these harms affect Take-Two's business model and customer relations.
- way for Take-Two to know how much revenue it will lose as a result of Mr. Perez's Infringing Program. For example, it would be impossible to calculate the number of players who stop playing GTAV's multiplayer feature GTAO altogether due to griefing by users of the Infringing Program. Likewise, it would also be impossible to quantify the reputational harm that Take-Two will suffer as a result of losing credibility with gamers who play GTAV honestly and fairly without Mr. Perez's cheating and griefing tools. And it would be impossible to know how many consumers purchased Mr. Perez's Infringing Program just to have the benefit of unlimited digital currency and objects instead of purchasing those items from Take-Two.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 4th day of December, 2018.

David Andrews